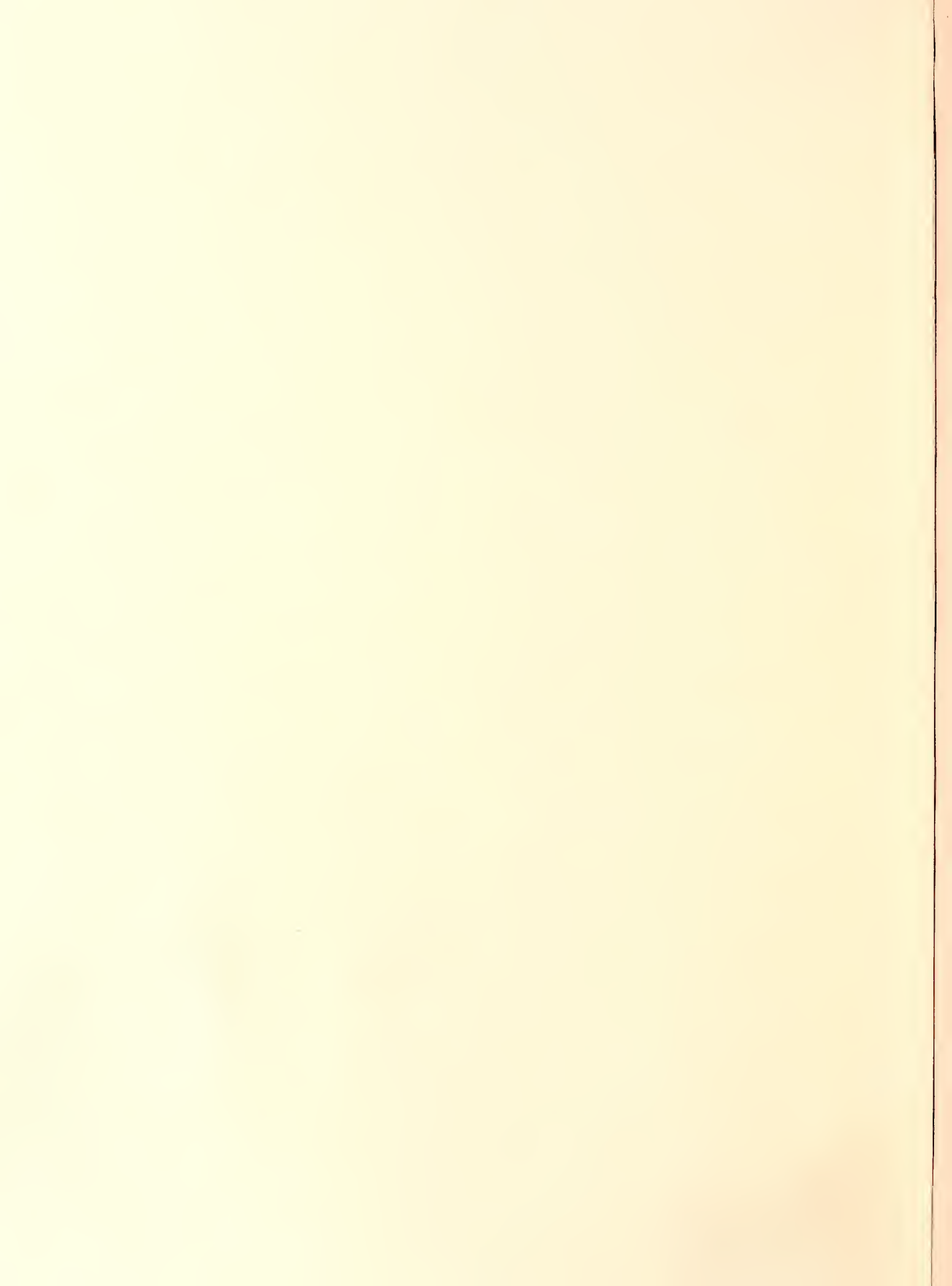


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MILK MARKET INFORMATION BULLETIN
CHATTANOOGA, TENNESSEE MARKETING AREA

Volume 11

January 1967

Number 6

Released Pursuant to §1090.27(j) and §1090.85, USDA-C&MS
Federal Order No. 90, 5916 Brainerd Road, Chattanooga, Tennessee 37411
J. B. McCroskey, Market Administrator

PRODUCER MILK BASES - 1967

Federal Order milk bases for producers will be announced by February 28, 1967. Milk Bases were established during September 1966 thru January 1967. These bases are to be used for calculating payment to producers for milk deliveries during March thru July 1967. If you do not receive your Milk Base Notice soon after March 1, 1967, please notify the Market Administrator.

MARKET SUMMARY - JANUARY 1967

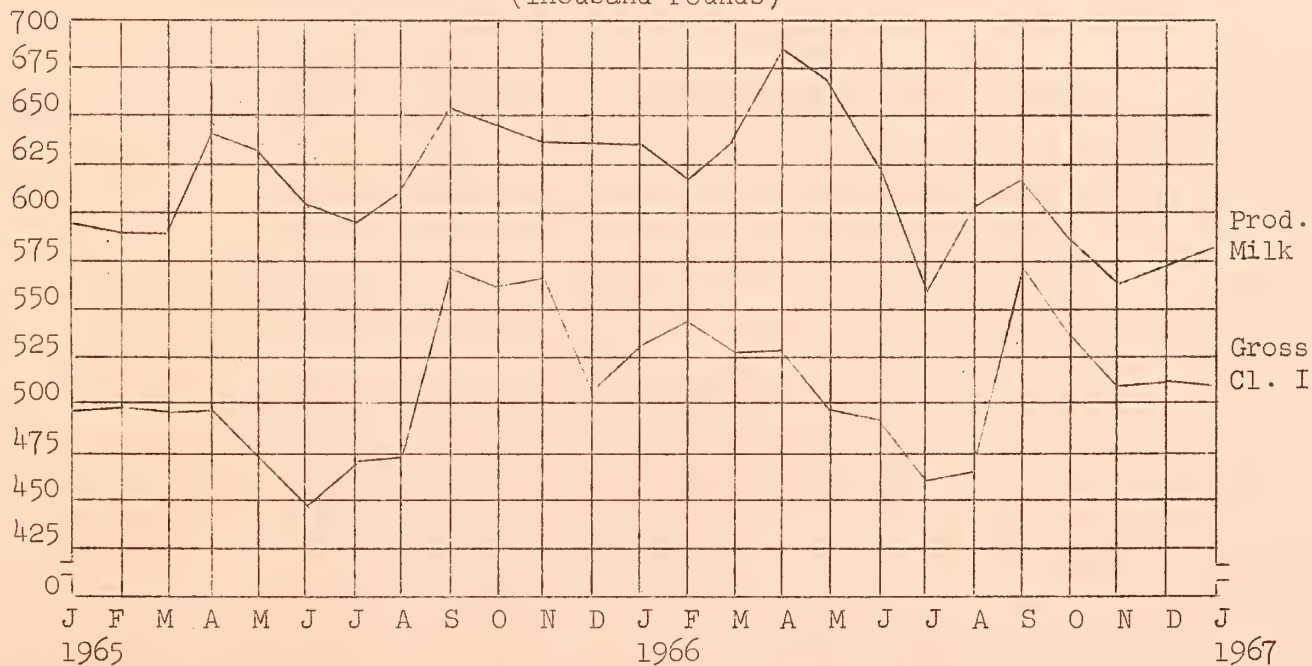
The Order MINIMUM producer uniform price is \$5.62 per cwt. f.o.b. Chattanooga Area pool plants for milk containing 3.5% butterfat. The producer butterfat differential is 8.2 cents for each one-tenth of one percent above or below 3.5 percent butterfat. This is a producer uniform price increase of \$0.80 per cwt. over January 1966.

During January, 80.5% of the total producer milk was priced in Class I at \$6.09 per cwt. with a butterfat differential of 8.6 cents and 19.5% in Class II at \$3.90 per cwt. with a butterfat differential of 7.6 cents. The daily average use of Gross Class I milk decreased 0.6% compared with December 1966 and decreased 4.1% compared with January 1966.

Daily average delivery of milk from producers was 581,714 pounds in January 1967, an increase of 6,094 pounds per day compared with December 1966 and a decrease of 52,955 pounds compared with January 1966. Percentage-wise, January deliveries increased 1.1% compared with December 1966 and decreased 8.3% compared with January 1966.

MILK SAMPLES TESTED - Producer Fresh Samples 4,802 - Handler Finished Products 185.

DAILY AVERAGE PRODUCER RECEIPTS COMPARED TO GROSS CLASS I UTILIZATION
(Thousand Pounds)



COMPARISON OF GROSS MILK RECEIPTS AND UTILIZATION

	% Jan. '67 Over Jan. '66	Jan. 1967	Dec. 1966	Jan. 1966
Number of Plants (Pool and Non-Pool)		9	10	11
<u>GROSS RECEIPTS POUNDS (DAILY AVERAGE)</u>				
Producer Milk	- 8.4	581,714	575,620	634,748
Other Source	- 5.5	16,483	20,646	17,450
Other Federal Orders	+347.4	47,764	46,158	10,676
Total Milk Receipts	- 2.6	645,961	642,424	662,874
<u>GROSS UTILIZATION POUNDS (DAILY AVERAGE)</u>				
Class I Uses:				
Fluid Milk	- 10.2	375,146	378,798	417,770
Regular Skim	+ 2.7	16,888	16,701	16,440
Special Skim - 2%	+152.3	25,470	25,071	10,096
Buttermilk	- 5.4	41,013	41,928	43,348
Flavored Milk and Drink	- 4.7	11,864	11,584	12,444
Fluid Cream (Sweet and Sour)	- 4.1	2,780	3,697	2,898
Other (Shrinkage, Inventory, etc.)		2,401	2,424	2,935
Transfers to Non-Pool Plants		32,821	31,297	25,310
Total Class I Milk	- 4.3	508,383	511,500	531,241
Class II Uses:				
Ice Cream Mixes		27,694	25,733	32,816
Cottage Cheese		28,261	24,282	19,044
Powdered and Condensed Milk		21,621	37,602	40,060
Livestock Feed and Skim Dumped		5,373	5,590	5,927
Shrinkage Class II		9,595	10,774	10,644
Other (Butter, Inventory, etc.)		9,022	(3,991)	9,679
Transfers to Non-Pool Plants		36,012	30,934	13,463
Total Class II Milk	+ 4.5	137,578	130,924	131,633
Class I Pounds in Marketing Area	- 1.2	308,817	306,169	312,497
Class I Pounds outside Marketing Area	- 8.8	199,566	205,331	218,744
Gross Class I Butterfat Pounds	- 6.5	17,853	18,261	19,099
Gross Class II Butterfat Pounds	+ 8.6	8,692	8,344	8,003
Total Butterfat Pounds	- 2.1	26,545	26,605	27,102
% Producer Milk of Gross Class I		114.4	112.5	119.5
% Producer Milk priced in Class I		80.5	82.8	82.9

FEBRUARY 1967 CLASS I MINIMUM PRICE COMPUTATION INCLUDING SUPPLY-DEMAND ADJUSTMENT

	Feb. '67	Jan. '67	Feb. '66
Per § 1090.51(a)			
Basic Formula	\$4.26	\$4.26	\$3.47
Plus Class I Differential	1.75	1.75	1.75
Supply-Demand Adjustment	0.04	0.08	(0.04)
Class I Price, 3.5% Butterfat	\$6.05	\$6.09	\$5.18
Supply-Demand Comparison: 1st and 2nd preceding months: December and January			
Supply: Lbs. Producer Milk (Dec. 17,844,205 and Jan. 18,033,144)			35,877,349
Demand: Lbs. Net Class I Milk (Dec. 15,718,142 and Jan. 15,566,397)			31,284,539
Utilization Percentage: Producer milk divided by Class I			115
Standard Utilization Percentage: Range 117-121			117
Net Deviation Percentage: Utilization minus Standard Utilization			minus 2
Supply-Demand Adjustment: 2 cents x 2 percentage points			plus \$0.04

Since the supply in relation to the demand is less than the desired standard, the price is increased 4 cents per hundredweight (2 cents x 2 percentage points).

COMPUTATION OF PRODUCER UNIFORM PRICE

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JANUARY 1967	Class %	Milk Pounds	Butterfat Test - %	Cwt.Price @ Test	Gross Value
Gross Class I		15,759,880	3.512		
Less Other Source		1,251,686	3.223		
Producer Milk Class I	80.5	14,508,194	3.536553	\$6.121436	\$ 888,109.81
Gross Class II		4,264,926	6.318		
Less Other Source		739,976	3.222		
Producer Milk Class II	19.5	3,524,950	6.968070	6.535733	230,381.32
TOTAL PRODUCER MILK (Cl.I + Cl.II)	100.0	18,033,144	4.207314		\$1,118,491.13
Add Fractional Adjustment					.04
Add Value of Overage					127.78
Add Value of Other Source Receipts					
Allocated to Class I and Location Adj.		83,479			4,093.42
Add $\frac{1}{2}$ Producer-Settlement Fund Reserve					7,001.49
TOTAL VALUE AT TEST		18,121,623	4.195551	\$6.234066	\$1,129,713.86
Less Test over 3.5% @ 8.2¢ per point		18,121,623	.695551	.570352	103,357.04
TOTAL UTILIZATION VALUE AT 3.5%		18,121,623	3.5	5.663714	\$1,026,356.82
Less Producer-Settlement Fund Reserve		18,121,623		.043714	7,921.69
PRODUCER UNIFORM PRICE F.O.B. POOL PLANTS		18,121,623	3.5	\$5.62	\$1,018,435.13

JANUARY 1967 MINIMUM PRODUCER PRICES CWT. F.O.B. CHATTANOOGA POOL PLANTS
 BUTTERFAT DIFFERENTIAL 8.2¢ PER POINT (EXCLUDES PREMIUMS)

TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE
3.0	\$5.21	3.75	\$5.825	4.5	\$6.44	5.25	\$7.055
3.05	5.251	3.8	5.866	4.55	6.481	5.3	7.096
3.1	5.292	3.85	5.907	4.6	6.522	5.35	7.137
3.15	5.333	3.9	5.948	4.65	6.563	5.4	7.178
3.2	5.374	3.95	5.989	4.7	6.604	5.45	7.219
3.25	5.415	4.0	6.03	4.75	6.645	5.5	7.26
3.3	5.456	4.05	6.071	4.8	6.686	5.55	7.301
3.35	5.497	4.1	6.112	4.85	6.727	5.6	7.342
3.4	5.538	4.15	6.153	4.9	6.768	5.65	7.383
3.45	5.579	4.2	6.194	4.95	6.809	5.7	7.424
3.5	5.62	4.25	6.235	5.0	6.85	5.75	7.465
3.55	5.661	4.3	6.276	5.05	6.891	5.8	7.506
3.6	5.702	4.35	6.317	5.1	6.932	5.85	7.547
3.65	5.743	4.4	6.358	5.15	6.973	5.9	7.588
3.7	5.784	4.45	6.399	5.2	7.014	5.95	7.629

JANUARY 1967 PRODUCER BUTTERFAT DIFFERENTIAL COMPUTATION

Per \$ 1090.73	B'Fat Use Percentage	Prod. Lbs. Butterfat	Class B'Fat Differential	Butterfat Value
Class I	67.6	513,090	\$0.86	\$441,257.40
Class II	32.4	245,621	0.76	186,671.96
Total	100.0	758,711		\$627,929.36

Total Butterfat Value - Total Producer fat pounds = \$0.827627

Producer Butterfat Differential per point variation above or
 below 3.5 percent - - - - - \$0.082

CHATTANOOGA ORDER MILK PRICES (3.5 PERCENT MILK)

Date	PRODUCER UNIFORM PRICES ^{1/}				HANDLER CLASS PRICES ^{1/}			
	Per Hundredweight				Class I		Class II	
	Uniform	Base	Excess	Bf.Dif.	Cwt.	Bf.Dif.	Cwt.	Bf.Dif.
Jan. '66	\$4.82	-	-	7.8¢	\$5.22	8.2¢	\$3.22	6.8¢
Feb.	4.87	-	-	7.6	5.18	7.7	3.01	7.1
Mar.	4.89 ^{2/}	\$5.00	\$3.04	7.8	5.33	8.0	3.08	7.3
Apr.	4.85 ^{2/}	5.06	3.00	7.8	5.45	8.2	3.04	7.2
May	4.79 ^{2/}	4.97	3.02	8.0	5.45	8.2	3.06	7.3
June	4.87 ^{2/}	5.01	3.08	8.0	5.45	8.3	3.12	7.6
July	5.28 ^{2/}	5.44	3.24	8.4	5.767	8.6	3.28	8.2
Aug.	5.27	-	-	9.0	5.84	9.3	3.49	8.4
Sept.	5.66	-	-	9.4	5.87	9.5	4.25	8.6
Oct.	5.65	-	-	9.2	6.01	9.7	3.99	7.9
Nov.	5.68	-	-	8.6	6.09	8.9	3.95	7.8
Dec.	5.65	-	-	8.4	6.07	8.8	3.90	7.6
Jan. '67	5.62	-	-	8.2	6.09	8.6	3.90	7.6
Feb.	-	-	-	-	6.05	8.6	-	-

PRICES USED IN DETERMINING CLASS PRICES AND BUTTERFAT DIFFERENTIALS

Date	CLASS II ALTERNATIVE FORMULAS \$-cwt-3.5%		PRICE QUOTATIONS				Basic Formula \$-cwt-3.5%
	4 Tenn. Milk Mfg.	Butter Powder	4 Tenn. Milk Mfg. \$-cwt-4%	Chi.920 Butter ¢ Lb.	Chi.Area Powder ¢ Lb.	Minn/Wisc. Mfg. Milk \$-cwt-3.5%	
	Milk Mfg.	Powder					
Jan. '66	3.01	3.22	3.350	59.33	14.54	3.47	3.47
Feb.	3.01	3.32	3.363	61.80	14.59	3.58	3.58
Mar.	3.08	3.39	3.450	63.40	14.81	3.68	3.68
Apr.	3.04	3.48	3.400	62.80	16.02	3.64	3.64
May	3.06	3.55	3.425	63.54	16.70	3.65	3.65
June	3.12	3.65	3.500	65.99	16.81	3.82	4.00
July	3.28	4.02	3.688	71.19	18.83	4.05	4.05
Aug.	3.49	4.17	3.913	73.05	19.63	4.26	4.26
Sept.	3.55	4.25	3.981	74.88	19.73	4.34	4.34
Oct.	3.57	3.99	3.969	68.80	19.64	4.26	4.26
Nov.	3.52	3.95	3.913	67.70	19.74	4.15	4.26 ^{4/}
Dec.	3.50	3.90	3.881	66.49	19.58	4.14	4.26 ^{4/}
Jan. '67	3.47	3.90	3.850	66.47	19.57	4.08	4.26 ^{4/}

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLER GROSS MILK <u>3/</u>			PRODUCER DATA <u>3/</u>				Deliveries Per			Prod. Milk Test
	No.	Total	Class I	Class I	Total	Base	No.	Farm----Pounds			
	Hdlrs.	Receipt	Use	Use	Delivery	Delivery	Prod.	Prod.	Base	Exc.	
Jan. '66	11	662,874	531,241	526,225	634,748	-	664	956	-	-	4.20
Feb.	11	648,797	546,032	534,700	616,699	-	663	930	-	-	4.22
Mar.	11	671,086	526,847	517,608	637,348	600,154	660	966	909	57	4.06
Apr.	11	726,873	528,830	522,390	686,157	617,814	653	1,051	946	105	3.93
May	11	709,820	498,267	492,037	669,259	606,628	646	1,036	939	97	3.95
June	11	664,459	492,255	477,148	624,721	579,064	642	973	902	71	3.90
July	9	606,531	461,978	450,482	558,984	520,301	601	930	866	64	3.89
Aug.	9	627,073	467,668	460,875	602,478	-	602	1,001	-	-	3.87
Sept.	9	669,440	573,722	549,013	617,915	-	591	1,046	-	-	3.95
Oct.	9	641,779	534,469	499,096	585,436	-	575	1,018	-	-	4.15
Nov.	9	621,225	507,725	474,427	565,267	-	571	990	-	-	4.20
Dec.	10	642,424	511,500	476,665	575,620	-	572	1,006	-	-	4.22
Jan. '67	9	645,961	508,383	468,006	581,714	-	568	1,024	-	-	4.21

^{1/} Excludes Premiums^{2/} Weighted Average Price^{3/} Other Source is Gross minus Producer; Class II is receipts minus Class I^{4/} Basic Formula "floor" per Order Amendment, December 1, 1966

PRODUCTION BY STATES AND COUNTIES
FOR THE CHATTANOOGA MARKETING AREA

States and Counties	December 1966				December 1965			
	Pounds Milk Delivered	% of Total	No. of Prod.	Daily Av. Lbs. Per Farm	Pounds Milk Delivered	% of Total	No. of Prod.	Daily Av. Lbs. Per Farm
<u>TENNESSEE</u>								
Bledsoe	332,109	1.86	18	595	416,589	2.12	19	707
Bradley	3,056,222	17.13	111	888	3,027,120	15.37	120	814
Coffee	91,433	.51	3	983	100,963	.51	3	1,086
Cumberland	209,663	1.17	6	1,127	202,627	1.03	7	934
Franklin ^{1/}	1,514,734	8.49	46	1,018	1,408,983	7.15	45	967
Grundy ^{1/}			2				2	
Hamilton	1,600,561	8.97	37	1,395	1,599,045	8.12	38	1,357
Loudon	402,651	2.26	12	1,082	848,544	4.31	29	944
Marion	390,084	2.19	17	740	442,730	2.25	18	793
McMinn	4,005,907	22.45	140	923	4,483,078	22.76	160	904
Meigs	731,402	4.10	25	944	726,019	3.69	28	836
Monroe	412,839	2.31	9	1,480	1,288,591	6.54	39	1,066
Polk	569,018	3.19	18	1,020	580,498	2.95	19	986
Rhea	438,045	2.45	19	744	434,358	2.21	21	667
Sequatchie	578,540	3.24	17	1,098	557,205	2.83	21	856
Total	14,333,208	80.32	480	963	16,116,350	81.84	569	914
<u>GEORGIA</u>								
Catoosa	951,342	5.32	26	1,180	1,031,539	5.24	29	1,147
Fannin	86,799	.49	4	700	92,397	.47	5	596
Gilmer	94,423	.53	5	609	102,185	.52	4	824
Murray	195,900	1.10	3	2,106	152,196	.77	3	1,637
Walker	869,923	4.88	25	1,122	921,935	4.68	26	1,144
Whitfield	873,708	4.90	22	1,281	933,275	4.74	24	1,254
Others ^{2/}	177,191	.99	3	1,905	165,927	.84	3	1,784
Total	3,249,286	18.21	88	1,191	3,399,454	17.26	94	1,167
<u>ALABAMA</u>								
Cherokee			2				2	
DeKalb			1				1	
Jackson			1				-	
Total ^{3/}	261,711	1.47	4	2,111	177,114	.90	3	1,904
TOTAL MARKET	17,844,205	100.00	572	1,006	19,692,918	100.00	666	954

^{1/} Two producers in Grundy County included with Franklin County.

^{2/} Includes one producer in each Chattooga, Gordon, and Union Counties.

^{3/} Alabama totals shown since information is restricted by counties.

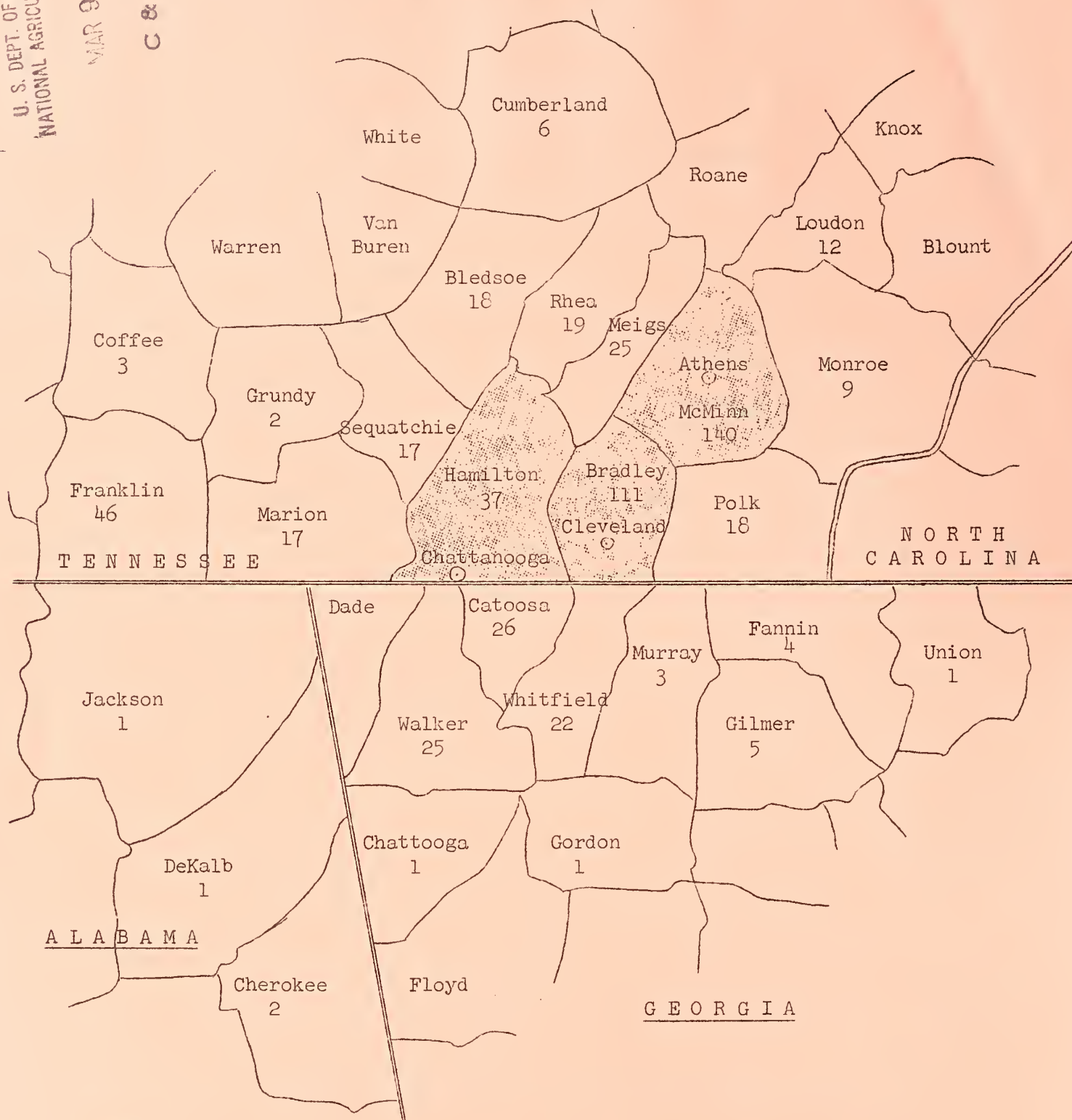
CHATTANOOGA MARKETING AREA POOL PLANTS - DECEMBER 1966

<u>Pool Plants</u>	<u>County</u>	<u>Plant Location</u>
Chattanooga Area Milk Prod. Assn.	Hamilton	Chattanooga, Tennessee
Grant-Patten Milk Co., Inc.	Hamilton	Chattanooga, Tennessee
Happy Valley Farms, Inc.	Walker	Rossville, Georgia
Home Stores, Inc.	Hamilton	Sale Creek, Tennessee
Mayfield Dairy Farms, Inc.	McMinn	Athens, Tennessee
Ray Moss Farms, Inc.	Hamilton	Chattanooga, Tennessee
Sealtest Foods	Hamilton	Chattanooga, Tennessee

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CHATTANOOGA AREA MILKSHED - DECEMBER 1966



CHATTANOOGA MILK MARKETING AREA - As defined in Federal Order No. 90 includes all the territory within the boundaries of Bradley, Hamilton, and McMinn Counties Tennessee. The milkshed includes counties listed and number of producers per county as of December 1966. There was a total of 572 producers delivering milk to the Chattanooga market during December 1966.